

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03  
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05  
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FM AMEMBASSY BERN  
TO SECSTATE WASHDC 3796  
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EO 11652: N/A  
TAGS: EGEN PINT SZ PO SP  
SUBJ: VISIT OF PORTUGUESE FOREIGN MINISTER FERREIRA TO SWITZERLAND -  
JAN 13-14

1. SUMMARY: DURING HIS VISIT TO SWITZERLAND PORTUGUESE  
FOREIGN MINISTER FERREIRA DISCUSSED THE PORTUGUESE INTERNAL  
POLITICAL SITUATION, APPEALED FOR CONTINUED AND INCREASED  
ECONOMIC ASSISTANCE, EXPLAINED PORTUGUESE EFFORTS TO  
JOIN THE EC, EXPRESSED HIS VIEWS ON THE SITUATION IN  
SOUTHERN AFRICA, GAVE HIS APPRAISAL OF RELATIONS WITH  
SPAIN, AND PROVIDED ASSURANCES ABOUT FORTHCOMING REGU-  
LATIONS ON FOREIGN INVESTMENT. END SUMMARY.

2. PORTUGUESE FOREIGN MINISTER JOSE MANUEL DE MEDEIROS  
FERREIRA VISITED SWITZ ON JAN 13 AND 14.  
ACCORDING TO A SWISS SOURCE WHO WAS PRESENT AT ALL  
MEETINGS EXCEPT THE PRIVATE ONE WITH SWISS FEDERAL  
COUNCILOR (FOREIGN MINISTER) GRABER, FERREIRA COMMENTED  
ON THE FOLLOWING QUESTIONS:

A. INTERNAL POLITICAL SITUATION. HE CHARACTERIZED  
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THE PORTUGUESE INTERNAL SITUATION AS UNDER CONTROL AND  
IMPROVING, WITH STEADILY INCREASING SUPPORT FOR THE  
GOVERNMENT AND DIMINISHING SUPPORT FOR THE COMMUNISTS.  
HE SAID HE IS CONFIDENT THAT PORTUGAL WILL NOT BECOME  
UNGOVERNABLE. ACCORDING TO GRABER'S SPECIAL ASSISTANT,  
HOWEVER, FERREIRA GAVE GRABER A LESS OPTIMISTIC  
APPRAISAL OF THE OUTLOOK FOR INTERNAL STABILITY DURING

THEIR PRIVATE TALK.

B. NEED FOR CONTINUED ECONOMIC ASSISTANCE

FERREIRA STRESSED THE REQUIREMENT FOR CONTINUED AND INCREASED ECONOMIC ASSISTANCE FROM THE SWISS, THOUGH EFTA, ARGUING THAT ALTHOUGH THE POLITICAL SITUATION IS WELL IN HAND THE GOVT CANNOT MOVE MORE QUICKLY WITH ANTI-INFLATIONARY POLICIES. THE SWISS TOLD US THAT WHILE SKEPTICAL ABOUT PORTUGUESE ECONOMIC PROSPECTS AND THE EFFECTIVENESS OF CURRENT ECONOMIC POLICIES, THEY AND THE OTHER EFTA MEMBERS HAVE NO CHOICE OTHER THAN TO BE RESPONSIVE TO PORTUGUESE REQUESTS FOR AID.

C. THE SOCIALIST ALTERNATIVE. FERREIRA SAID IT

IS ESSENTIAL TO PROVIDE A DEMOCRATIC SOCIALIST ALTERNATIVE TO WHICH AFRICAN NATIONS, ANGOLA AND MOZAMBIQUE AMONG OTHERS, COULD TURN FOR AID. HE EXPECTS SOVIET INFLUENCE IN SOUTHERN AFRICA TO INCREASE, ESPECIALLY IF NO SOLUTION IS FOUND FOR THE PROBLEMS OF RHODESIA, NAMIBIA AND SOUTH AFRICA. HE SAID THE PORTUGUESE HOPE TO ESTABLISH DIPLOMATIC RELATIONS WITH ANGOLA SOON, BUT THUS FAR CONTACTS HAD BEEN AT THE PARTY-TO-PARTY LEVEL. THE SWISS VIEW, CONVEYED TO FERREIRA, WAS THAT WHILE THEY AGREE ABOUT RHODESIA AND NAMIBIA, SOUTH AFRICA IS A FORTRESS WHICH CAN HOLD OUT FOR MANY YEARS.

D. PORTUGUESE RELATIONS WITH THE EC

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FERRERIA EXPLAINED PORTUGAL'S EFFORTS TO JOIN THE EC. HE SAID IT IS CLEAR PORTUGAL WILL NEED A TEN YEAR TRANSITIONAL PERIOD, IN PART IN ORDER TO ALLOW INTERNAL POLITICAL CONDITIONS TO IMPROVE TO THE EXTENT NECESSARY FOR THE IMPLEMENTATION OF ECONOMIC POLICIES THAT WOULD MAKE FULL MEMBERSHIP POSSIBLE.

E. PORTUGUESE RELATIONS WITH SPAIN AND REMARKS

ON THE SPANISH INTERNAL POLITICAL SITUATION.

FERRERIA SAID HE WAS QUITE SATISFIED WITH THE CURRENT STATE OF PORTUGUESE-SPANISH RELATIONS. HE THINKS THAT SPANISH REFUSAL TO ALLOW THE COMMUNIST PARTY TO OPERATE LEGALLY IS TACTICAL, IN THE SENSE THAT IT IS DUE NOT SO MUCH TO REAL CONCERN ABOUT RIGHTEST AND/OR MILITARY REACTION TO A DECISION TO LEGALIZE THE PARTY AS TO A DESIRE TO ALLOW OTHER PARTIES MORE TIME TO ORGANIZE THEMSELVES EFFECTIVELY.

F. FERREIRA ASSURED SWISS THAT THE PORTUGUESE

GOVT WAS FULLY AWARE OF THE NEED TO ATTRACT  
FOREIGN INVESMENT. HE SAID THE FORTHCOMING  
FOREIGN INVESTMENT REGULATIONS WOULD REFLECT THIS,  
AND THAT THE NEW CODE WOULD BE NON-POLITICAL,  
TECHNICAL DOCUMENT.  
DAVIS

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## Message Attributes

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**TAGS:** EGEN, PINT, SZ, PO, SP, (FERREIRA, JOSE MANUEL DE MEDEIROS)  
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